SENATE BILL REPORT SB 5998

As of February 12, 2001

Title: An act relating to energy facility siting.

Brief Description: Altering requirements for the siting of energy facilities.

Sponsors: Senators Hale, T. Sheldon, Hewitt, Morton, McDonald, Hochstatter and Honeyford.

Brief History:

Committee Activity: Environment, Energy & Water: 2/12/01.

SENATE COMMITTEE ON ENVIRONMENT, ENERGY & WATER

Staff: William Bridges (786-7424)

Background: The Energy Facility Site Evaluation Council (EFSEC) was created in 1970 to provide one stop licensing for large energy projects. It comprises a chair appointed by the Governor and representatives from nine state agencies: the departments of Ecology; Fish and Wildlife; Health; Community, Trade, and Economic Development; Natural Resources; Agriculture; Transportation; as well as the Military Department and the Utilities and Transportation Commission. The council is augmented by representatives from the particular cities, counties, or port districts where potential projects may be located. EFSEC staff are part of the Energy Division within the Department of Community, Trade, and Economic Development.

EFSEC's jurisdiction includes the siting of large natural gas and oil pipelines, electric power plants above 250 megawatts (MW) and their dedicated transmission lines, new oil refineries or large expansions of existing facilities, and underground natural gas storage fields. EFSEC's jurisdiction does not include geothermal, wind, solar, or hydro power plants, nor does it cover general transmission lines.

The EFSEC statutes contemplate a siting process that takes 12 to 16 months, subject to mutual extensions. The process generally involves six steps: (1) a potential site study followed by an application; (2) State Environmental Policy Act review; (3) review for consistency with applicable local land use laws and plans; (4) a formal adjudication on all issues related to the project; (5) certain air and water pollution discharge permitting reviews as delegated by the U.S. Environmental Protection Agency; and (6) a recommendation to the Governor who then decides whether to accept, reject, or remand the application. A certification agreement approved by the Governor preempts any other state or local regulation concerning the location, construction, and operational conditions of an energy facility.

The Legislature created a task force in 2000 to review nine issues relating to the EFSEC process. The task force's work group issued a report in December 2000. The report made three recommendations concerning the timing of public hearings, the administrative record developed during the hearings, and the monitoring of certified facilities.

Senate Bill Report - 1 - SB 5998

Summary of Bill: Modifying EFSEC jurisdiction. The 250 MW threshold for stationary thermal power plants and the 50 MW threshold for floating thermal power plants are removed. New electrical generating facilities may opt out of the EFSEC process.

<u>Changing EFSEC membership</u>. The departments of Natural Resources, Agriculture, and Transportation, and the Military Department are removed from council membership.

<u>Modifying the EFSEC siting process</u>. The current six-step process is maintained, except that time lines are changed so that the total process is shortened by five and a half months.

<u>Prohibiting EFSEC from adopting standards more strict than state law</u>. EFSEC is prohibited from adopting guidelines, including air, water, or health standards, that are more stringent than any statute or rule.

Appropriation: None.

Fiscal Note: Requested on February 10, 2001.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Senate Bill Report - 2 - SB 5998